combat the spread of dangerous counterfeit drugs. Our patent system protects that life-changing work and, in the case of the Patents for Humanity Program, helps promote its use for the global good.

As we find ways to incentivize and promote widespread innovation, we must uphold the vital protections that allow innovators to grow and thrive. We must work to deter and prevent the theft of intellectual property, which hurts creators, costs jobs, and impedes economic growth. In our interconnected age, no country, or even group of countries, can address that problem alone. More than ever, we need to work together to recognize the value of intellectual property so that inventors and creators around the world may receive the benefit of their work and continue to create it.

We must also come together to streamline processes that will help innovators to fuel growth in the future. Eighteen months ago, Congress took an important step with passage of the Leahy-Smith America Invents Act, which modernized our patent system for the 21st century and helped harmonize our laws with systems around the world. Last December, I was pleased to expand on those improvements with passage of the Patent Law Treaties Implementation Act, which will help American inventors by simplifying and expediting the process for obtaining patent protections overseas.

There is more Congress can do to improve the patent system and address the problem of patent trolling, by increasing transparency and accountability. I intend to work in a bipartisan and bicameral manner on legislation that will ensure the real party in interest of a patent is disclosed, protect unknowing and innocent purchasers of allegedly infringing products from unwarranted suits, and continue to improve patent quality, and we will explore other means to make trolling activity unprofitable.

Our intellectual property system supports the creative and inventive talents of our citizens and provides the vital fuel of our economy. I hope others will join me in celebrating World IP Day.

AMERICA INVENTS ACT

Mr. SCHUMER. Mr. President, In September of 2011 this body debated and passed landmark patent legislation which was subsequently signed by the President and is now law.

The America Invents Act—AIA—updated, for the first time in many years, the way patents are issued and prosecuted, and in some instances the means by which businesses defend themselves against lawsuits filed by the ever-growing cottage industry of patent assertion entities.

The AIA made many important improvements to our patent law. But more needs to be done. Even in just the short time since the bill passed, the problem of so-called ''patent trolls'' has continued to grow exponentially. In fact, patent trolls cost operating companies $29 billion in 2011 alone. Many of these suits are the result of poor-quality patents being asserted by highly litigious parties against ordinary businesses, large and small, who are left with only unacceptable options: pay a costly licensing fee, settle a court case to avoid litigation costs, or expend millions in litigation fees in hope of prevailing at the end of the day in court.

This has been especially problematic in the universe of technology startups—a booming industry in New York in particular. These small businesses have everything going for them—good ideas, smart employees, and loyal customers. But they risk being entirely undercut by a clever patent troll who takes advantage of them in court. In fact, I have heard from businesses that actually had to fold as a result of a single poor-quality patent lawsuit. This is anathema not only to a pro-growth business culture, but also to the very principles of the intellectual property system.

I believe we can address this problem, and I believe there is a clear and simple way to do so; in fact, we have a model in Section 18 of the AIA. Section 18, the Schumer-Kyl provision, established a post grant review by the experts at the PTO of covered business method patents—the very patents which have been wreaking havoc in the courts and in boardrooms across the country. Section 18 allows a petitioner to request that the PTO review a covered patent and if they find it more likely than not to be invalid, to take a second look at it and return a decision promptly.

During debate of Section 18, I took the opportunity to make clear that District Courts should stay proceedings in patent cases if the PTO is reviewing the same patents because the PTO decision regarding the patent's standing would prove dispositive in court and obviate the need for further court proceedings.

I am pleased to note that district judges have been giving deference to the legislative history and that in at least 2 cases, have stayed their proceedings pending a PTO decision. Section 18 is not only providing patent holders and accused infringers with an alternative to court, but judges are able to better manage their dockets through the use of this new post-grant proceeding.

In the approximately 6 months since the process authorized by Section 18 began, around 20 patents have been challenged through it at the PTO. And those cases are being considered at the PTO in a more cost-effective way than litigation.

It is apparent that Section 18 is working the way we intended; the only problem with it is that it is too limited in two respects: first, it was only authorized as a temporary program and second the types of patents that are allowed to be considered under it are limited. For this reason, I will be introducing a bill when we return from recess to improve Section 18 by removing its temporary status and making more ''likely invalid'' business-method patents eligible for review. I look forward to working with Chairman LEAHY and my colleagues on the Judiciary Committee on legislation to improve further the patent granting and patent prosecution system. A great place to start is to make sure the experts at the PTO get a chance to review low-quality patents against relevant prior art so that they cannot be used as a weapon against legitimate business.

RECOGNIZING THE 30TH ANNIVERSARY OF THE MAUREEN AND MIKE MANSFIELD FOUNDATION

Mr. BAUCUS. Mr. President, Senator TESTER and I wish to recognize the 30th anniversary of the Maureen and Mike Mansfield Foundation.

Nearly 30 years ago Congress passed legislation authorizing funds for a foundation honoring Mike Mansfield. Mike was the pride of Montana, and represented the State in the U.S. Congress from his election to the House of Representatives in 1942 to his retirement from the Senate in 1977. Mike Mansfield once said he reached the height of his political aspirations when he was elected senator from Montana. Montanans remember him fondly as a national leader who put Montana first.

Mr. TESTER. Mr. President, respect and admiration for Mike Mansfield reached beyond his Montana roots to Washington, where he shaped the character of the modern Senate as the longest-serving Senate Majority Leader. It also reached across the Pacific, where he combined his voice of wisdom and sense of moderation with his love of Asian culture and became the longest-serving U.S. ambassador to Japan.

Mr. BAUCUS. Mike Mansfield was enamored with the Far East when he traveled there as a young United States Marine in the 1920s. This early experience shaped his outlook on the Pacific Basin and the world. He went on to teach East Asian history at the University of Montana, and was a leading expert on Asia while in Congress. He then continued his life of public service as U.S. Ambassador to Japan from 1977 to 1989. He and his wife Maureen shared a love for Asia and a commitment to building relationships that would support strong U.S.-Asia relations.

Mr. TESTER. The Mansfield Foundation has been committed to carrying out this mission since it was established in 1983. For the past 30 years, the Foundation has offered important opportunities for U.S. and Asian leaders in government and business to exchange views and build relationships that strengthen cooperation between our countries. These exchanges, policy dialogues, and research and education